

TESTIMONY TO THE IOWA STATE LEGISLATURE  
JOINT GOVERNMENT OVERSIGHT COMMITTEE  
JULY 23, 2007  
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Good afternoon to the all of the senators and state representatives on the Joint Government Oversight Committee. Thank you to the Chair, Co-Chair and State Representative Wayne Ford for the opportunity to address the committee around the support and passage of the House Bills to deploy a statewide wireless network here in the State of Iowa, and to expand its reach to citizens of this dear state and the nonprofit organizations that serve them. I am Dr. Nicol Turner-Lee. I am Vice President of Digital Inclusion and select Midwest Programs at One Economy Corporation, a multinational nonprofit organization that uses innovative approaches to deliver the power of technology and information to low-income people. We are in our seventh year bringing broadband Internet into the homes of low-income people, working with partners to make computers affordable, training people to use them effectively, and providing socially responsible media properties that offer a wealth of information on jobs, education, health care and other vital issues. Overall, our mission is to maximize the potential of technology to help the poor improve their lives and enter the economic mainstream.

Today, I offer testimony in support of the expansion of the current Iowa communications network, especially as it provisions affordable and possibly free broadband access to the poor and community based organizations that enable these citizens to become self sufficient. My comments will start very broad as I describe the emerging importance of getting the underserved online, and provide examples for how we at One Economy are helping individuals realize the power of the Internet to create a true force in their homes and lives.

First, let's start with national statistics on the demographics of current Internet users. Today, 70 percent of our national population is online (approximately 165 to 210 million people). The saturation of new technologies- computers, cell phones, Blackberries- has truly changed the way live, learn and earn in our society. However, more than a quarter of our population remains offline; and not surprising the people who fall the farthest behind are low-income families, culturally defined populations that include African American and Latino Americans, people with disabilities and seniors. The less educated tend to be disproportionately represented on the Internet when compared to the demographics of the average middle class user with at least a high school education and a computer in the home. The glaring statistics generated by a 2005 report published by the Children's Partnership shared that children from families with annual incomes over \$75,000 are twice as likely to have access to a computer at home than those in very low-income families; 96 percent compared to 45 percent. Couple the absence of the device with the lack of affordable broadband access and we've worsened the situation for our lower income children to be omitted from the educational opportunities afforded by the Internet.

All of us should have a stake in creating the environment where broadband access is a right and not a privilege for those that can afford to purchase it. Access to the information and networks available on the Internet strengthens communities, opens new markets for business, offers new workforce development opportunities, and inspires individuals towards entrepreneurship. The Internet's audience is boundless and broadband access-whether at minimal or optimal speeds gives users pathways into the more competitive worlds of employment, health care, financial services, education, and family. Broadband availability for the poor must be a cultural imperative as government services that include public benefits, tax assessments and payments, migrate to the online world, making the "in line" transaction an activity of the past. Friends, we are obligated to stop the deepening of the burdens on our citizens who happen to reside in disadvantaged urban and rural communities by compounding their physical social isolation with information dislocation.

Our 21<sup>st</sup> century agenda should be centered upon:

- accelerating ubiquitous and affordable broadband access to promote economic and human capital development,
- practical and non-predatory hardware acquisition programs,

- socially responsible online media that educates and engages people of different educational, cultural, language and ability levels, and
- training that is aligned with the emerging workforce development needs of our digital economy. I will briefly address each area.

Today, we are discussing one of the most innovative strategies for ensuring that broadband access is both ubiquitous and affordable throughout the State of Iowa. I want to continue to stress the economic and social benefits for investing in such an infrastructure. First, broadband is becoming a necessary utility for our citizens, much like water and electricity. In a recent study, the Pew Internet Project, shared that “the Internet helped people get through major life moments- buying a car, applying for a job, dealing with a serious illness or finding a new place to live”<sup>1</sup> Moreover, the social networking available on the Internet also facilitated these connections to people and/or organizations that could support them during these life moments and beyond. With only one in five persons benefiting from in home broadband access, imagine the opportunities that are being missed by disconnected populations. Our work at One Economy has honed in on the importance of creating the utility of broadband for the poor and the underserved. In 2004, we launched the “Bring IT Home” campaign, a bipartisan public policy initiative co-chaired by the Majority and Minority Leaders of the United States Senate, to bring affordable broadband into the homes of the nation’s low income families. To date, 42 states, including Iowa, have adopted housing finance policies that promote the penetration of high speed Internet infrastructure in new and refurbished affordable housing units, and more than 300,000 low income people now have broadband in their homes because of this effort. In some cases, the actual Internet service is offered free or at low cost to affordable housing residents, making it a more reasonable expense for families wishing to bring the world of information into their living room. The utility contributes to the vibrancy of communities as small businesses are able to export their services to increase their market share, and local intelligence can be easily collected to understand the assets and opportunities for previously underserved urban and rural marketplaces. The ubiquitous availability of broadband also brings the new capacity to service providers and civic organizations to create and distribute content in a way that responds and solves social problems ranging from public safety to dilapidated housing.

Affordability of the Internet is key to ensuring broadband adoption among the poor and the institutions that serve them. School-age children should not be placed in a position to force their parents to choose between paying for food or the Internet. When faced with the fact that more than 55% of Des Moines students are eligible for free or reduced price lunch, for example, the divide between “the haves” and “the have nots” becomes glaringly apparent. Children perform better in school when Internet and computers are not only available in their local libraries, but also in their homes. When compared to their suburban higher income counterparts, low income students are more likely to use the Internet to research and complete homework assignments. The practice of using the Internet to enhance the quality of school projects serves to steer our young people into a positive culture of use, making the Internet a resource for reducing the likelihood of school dropout or limited educational attainment. Affordable access should be available for the working single mother whose two jobs barely pay her rent. Imagine the change in her lifestyle if she were able to further her education through online classes, and secure more stable employment. At One Economy, we’re excited about a groundbreaking \$100 million partnership with AT&T that launched *AccessAll*, a program to bring two years of free DSL service to 50,000 low-income households. Our additional work with municipalities that include Philadelphia, San Francisco, Chicago, Milwaukee and Baltimore is positioning the importance of digital inclusion, a concept that we coined to provide an intentional focus on the well-being of low-income populations, in the development and implementation of citywide wireless networks that are affordable, accessible and useful.

Getting access to the device that connects one to the Internet is equally important. Other countries are outpacing the U.S. in efforts to get low income people the hardware to connect to available broadband. Low-income people should not continue to be victimized by predatory financing schemes that make a computer an investment over a lifetime, only to be depreciated in a few years due to evolving platforms.

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<sup>1</sup> Pew Internet Project, Feb-March 2005 survey, cited in “The Strength of Internet Ties” report, available at: [http://www.pewinternet.org/PPF/r/172/report\\_display.asp](http://www.pewinternet.org/PPF/r/172/report_display.asp)

Community technology centers, libraries, park districts and select schools are increasingly providing public access computers. The lines are long, especially at libraries that offer free Internet access, and the time spent on the computer is less personal. Imagine using a public access computer to search for information about very private and often uncomfortable health information. Lower income people should be afforded the right to find, review and contact health practitioners from the comfort and privacy of their own home-without limits on usage and the eyes of the next person in line. There should be a lap top in every backpack of school age children. The ICN project offers the opportunity to distribute new and refurbished hardware to individuals in need, especially our students. We urge the State to also assemble a loan program that offers non-predatory financing options to low-income families; while getting these families connected to reputable financial institutions that care about their purchase and financial future. One Economy's Digital Access Loan Fund has provided thousands of families across the country with low cost loans to purchase new hardware, while forging new bank relationships. We have also developed other options- refurbished computers, vouchers, and discounts to get hardware into the hands of the poor.

Socially responsible, online content is the third key to the success of broadband adoption and use among low-income people. Content should inspire, empower and enable users to find and take on the impossible. The robust resources of the worldwide web, however, can be both beneficial and daunting at the same time. Finding a better job, benefiting from the EITC tax credit, locating affordable housing, and planning for a better life, all should be seamless for the online consumer. The Internet has thousands, if not millions, pages of content that can overwhelm the first time user or make it difficult to find a loved one. At One Economy, we have made the process for finding and acting upon vital information easy for the people that we care about- the more than a quarter of individuals who have been disconnected. Our signature, content rich online portal called the Beehive ([www.thebeehive.org](http://www.thebeehive.org)) provides low-income individuals web-based tools and information about financial services, education, jobs, health care, and family. The site features topics that can help people raise their standard of living by accessing information and learning how to take action on issues that are important to them and can change their lives. To date, One Economy has launched more than 40 local Beehives that have received more than 10 million visits; 2 million of those visits by Spanish speakers. In this online community,

- 400,000 people have gotten help finding and evaluating child care;
- 315,000 students have found homework help; \$1.8 million in refunds were obtained by 2006 income tax filers who used the Beehive;
- 325,000 people learned how to plan a family budget; and,
- 650,000 people learned how to file for unemployment benefits.

These tremendous results, coupled with the harsh realities of the impact of a failed communications infrastructure experienced during Hurricane Katrina has led us to our campaign for the Public Internet Channel- a comprehensive online portal that merges the nuances of the 411, 311 and 211 systems in one destination led by our honorary co-chairs Senators Barack Obama and John McCain.

Part of the charge of the revitalized ICN should call for the availability of robust, multilingual online content that focuses on content that generates outcomes for the poor. The State of Iowa, its municipalities and local neighborhoods will have the ability to showcase unique content that presents their assets in the virtual world, exchange best practices and resources across cities, offer vital information and services that connect and respond to the needs of the poor, and support web 2.0 tools like virtual Town Halls that encourage dialogue and action between citizens and/or organizations. Content should also be packaged to include, not exclude potential consumers. Language, literacy, age and developmental abilities should not hinder content consumption. Rather, content should be audience sensitive and user-generated to maximize its social and economic benefit. Innovative business models should be enabled through online content that encourages local entrepreneurship, and new forms of commerce and sources of revenue. Our work in rural Greene County, North Carolina, for example, provides a classic example for how an economy formerly reliant on a dying tobacco industry used the Beehive and the Internet to spur economic development opportunities. Now, farmers and small business owners create websites and exchange goods and services through their very own, online county marketplace.

Finally, it is important that all of these efforts are aligned with training. Training that not only informs individuals on safe and appropriate Internet use, but also provides a level of digital literacy and fluency

needed to cultivate a smart workforce. Now, eight out of ten of the fastest growing job categories require technology skills and familiarity with technology tools. Companies are more likely to locate to cities and states that have a vibrant and flexible broadband infrastructure. Not surprisingly, these same companies also come with an expectation of a prepared workforce that is knowledgeable of the tools in an emerging digital economy. The technology to be available through the Iowa Communications Network will help the State stabilize the goals of the “Economic Development Networks” that connects buyers, suppliers, and core businesses to meet the demands of the economy. The network development and the ongoing maintenance of its backbone can also become a workforce development initiative that serves to enable populations that have been severely disconnected from the labor market. A program of this magnitude could serve to redirect the energies of African Americans in the State who are imprisoned at a rate more than double the national average. Hard to employ populations who are socially isolated from lucrative opportunities could learn skills for building and recycling computer hardware and peripherals, or installing fiber during the statewide build out. In Chicago, for example, ex-offenders are learning A+ certification to rebuild donated computers to distribute to school-age children, and stripping computer hardware of toxic materials prior to recycling and discarding. Workforce development for youth can also be promoted as part of the statewide broadband project. As our children remain our future, it is imperative that they move beyond being just consumers of technology gadgets- such as Ipods and Mp3s, but producers of hardware and content. Digital education for young people can be linked to school graduation requirements and community service. One Economy’s Digital Connectors program engages youth, 14 to 21, in leadership development and technology training in order to prepare them for community service projects that facilitate broadband adoption among their peers and neighborhoods. Today, more than 1,000 youth have registered over 36,000 hours of community service. In some locations, youth have received jobs through the summer youth employment programs administered by cities, earned a free computer and Internet access, and participate in the development of community technology centers and wireless networks.

All of these strategies – providing affordable and ubiquitous access, offering mechanisms for hardware acquisition, designing meaningful online content, and crafting a deliberate and strategic workforce development initiative around the network- create the climate or what author Malcolm Gladwell calls “the tipping point” for the engagement and benefit of the poor around digital technology. The State is on the verge of swinging the pendulum in the direction of full, digital inclusion in a way that brings digital opportunities to the doorstep of people. We, at One Economy, are encouraged by the bold move of the State to get the ball rolling in this area. While the building of a network might seem like a tremendous task, the social and economic benefits that result will be even more immeasurable for the citizens of this State. Honorable legislators, you can create that change. Through public-private partnerships, the information superhighway can be constructed with multiple entrances and exits for all people- irregardless of where live, what they know and how much they earn, to get on and off to go wherever their final destination might be. We stand in support of this endeavor and hope to enroll the State in our mission to make digital inclusion a reality for the millions of citizens looking for this road.

Thank you for this opportunity to address you today. For more information about our company, please visit our web site at [www.one-economy.com](http://www.one-economy.com).

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